



September 1, 2011

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

The Industrial Development Authority of the
City of Moberly, Missouri
115 A North Williams Street
Moberly, Missouri 65270
Attn: Chair

City of Moberly, Missouri
101 West Reed Street – City Hall
Moberly, Missouri 65270
Attn: City Manager

Re: Event of Default

Dear Chair and City Manager:

UMB Bank, n.a., as trustee, ("Trustee") under that certain Indenture of Trust dated July 1, 2010, between The Industrial Development Authority of the City of Moberly, Missouri ("Authority"), the City of Moberly, Missouri ("City") and the Trustee, pertaining to \$8,440,000 of Annual Appropriation Capital Project Bonds (Project Sugar) Series 2010-A (Taxable), \$3,025,000 of Annual Appropriation Capital Project Bonds (Project Sugar) Series 2010-B (Tax-Exempt) and \$27,535,000 of Annual Appropriation Capital Project Bonds (Project Sugar) Series 2010-C (Tax-Exempt) (the Series 2010-A, 2010-B and 2010-C Bonds are collectively referred to as the "Bonds"), hereby gives notice to you that the City is under that certain Financing Agreement dated as of July 1, 2010 between the Authority and the City in Default for failure of the City to make or cause to be made due and punctual payment of the amounts required pursuant to Section 4.01(a) of said Agreement within 10 days of the August 15, 2011 due date.

Upon the expiration of applicable cure periods the Default for which notice is given hereby will have matured and the Trustee will then be entitled to exercise all rights and remedies under the Indenture and documents which have been assigned to it or as otherwise available at law.

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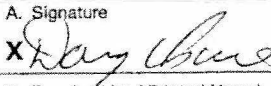
Any questions concerning this notice may be directed to the undersigned or to its council which is Norman Fretwell at the firm of Spencer Fane Britt & Browne, LLP, 1000 Walnut Street, Suite 1400, Kansas City, Missouri 64106 (816) 292-8121.

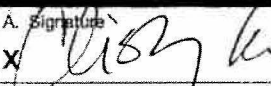
Very truly yours,

A handwritten signature in black ink, appearing to read 'Mark Flannagan', with a long horizontal flourish extending to the right.

Mark Flannagan,
Senior Vice President

cc: Thomas Cunningham via email

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature  <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: City of Moberly, Missouri 101 West Reed Street - City Hall Moberly, Missouri 65200 Attn: City Manager		B. Received by (Printed Name) <u>Danny Chance</u> C. Date of Delivery <u>9-6-11</u> D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number <u>7001 2510 0000 3358 5219</u> (Transfer from se)			
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540			

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<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature  <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: The Industrial Development Authority of the City of Moberly, Missouri 115 A North Williams Street Moberly, Missouri 65200 Attn: Chair		B. Received by (Printed Name) <u>Chair</u> C. Date of Delivery <u>9-6-11</u> D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number <u>7001 2510 0000 3358 5226</u> (Transfer from se)			
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